



PDC NEWS

711 Capitol Way, Room 206
Olympia Washington

Public Disclosure Commission

Mike Connelly, Chair
Susan Brady, Vice Chair
Lois Clement, Secretary
Christine Yorozu, Commissioner
Francis Martin, Commissioner

July 24, 2002

Volume 2 Issue No 6

Enforcement Matters

The Commission assessed a civil penalty of \$500 each to six political committees for failure to file electronic reports of contributions and expenditures as required under current state law. Candidates and political committees that expended \$25,000 or more in 2001 or expect to spend \$25,000 this year are required to file campaign finance reports electronically. The political committees found in violation for failure to file electronically were:

- **Abraham Lincoln Memorial Society**
- **East King County Lawyers for Justice**
- **Victim Advocates**
- **Western Washington Trial Lawyers for Victims**
- **PAC 48 of Washington**
- **Washington State NARAL**

Two hundred and fifty dollars of each penalty was suspended on the condition that the political committees begin filing electronically and achieve full compliance with the statutory requirements within ten business days.

The Commission also accepted a stipulated agreement between St. Clair Woodworth, Commissioner of the Port of Sunnyside, and PDC staff in which Mr. Woodworth admitted violating state law for failing to file a Statement of Financial Affairs. He will pay the maximum civil penalty of \$1,000. Woodworth also agreed to pay \$1,000 in outstanding fines assessed for a past violation of the same statute.

The **United Seafood Business Association and Doug Merino** also entered into a stipulated agreement to pay a civil penalty of \$1,000 for failing to file a Lobbyist Employer's report covering lobbying activities for calendar year 2001. The Commission suspended \$250 of the penalty on the condition no further violations of RCW 42.17 occur during the next two years.

Reporting Modifications

The Commission granted a partial reporting modification to **James O'Donnell**, Commissioner with the Sammamish Plateau Water and Sewer District, from reporting business customers of Shamrock Security Systems, Inc. DBA Statewide Security of which he is President and owner.

The Commission renewed without change the following reporting modifications for **Kristine Mikkelsen**, Trustee, Eastern Washington University, **Patricia Hein**, School Director, Cle Elum/Roslyn School District No. 404.

Modifications requested by **Patricia Connolly Walker**, candidate for Spokane County District Court Judge, and **Christine Cary**, Judge, Spokane County District Court were held over for action at a future meeting.

Rule Making

The Commission agreed to move forward with rule making activity and file preproposal statements of inquiry with the Office of the Code Reviser for the following:

- **Amend WAC 390-17-100 Contribution withholding authorizations.**
- **Adopt new rule implementing Chapter 156, 2002 Laws, relating to making voluntary payroll deductions.**
- **Amend WAC 390-16-234 Transfers of Surplus Funds.**
- **Amend WAC 390-17-200 Major political party organizations.**
- **Amend WAC 390-37-030 Enforcement Procedures.**

A stakeholder meeting will be scheduled for early August, with a discussion of proposed language expected to occur at the Commission's August 27, 2002 meeting.

The Commission also authorized the expedited adoption of amendments to **WAC 390-24-010 Forms for Statement of Financial Affairs** and **WAC 390-24-020 Forms for amending statement of financial affairs**. The expedited amendments to the rule will go into effect October 2002 unless objections to the expedited rule-making process are expressed in writing by September 23, 2002.

Advisory Matters

The Commission reviewed a proposed interpretation of RCW 42.17.100 that would require reporting of independent expenditures when an expenditure reaches \$100 per candidate or ballot proposition supported or opposed rather than when an expenditure reaches \$100 for all candidates or ballot propositions. The members also withdrew Interpretation 95-01, Definition of "General Election." The legislature amended the definition of "General Election" during the 2002 Legislative Session, eliminating the need for the interpretation.

Enforcement Issues

The Commission adopted PDC staff recommendations changing the late filing settlement amount for non-filers of certain forms from \$50 to \$100. Filing of the late report and payment of a settlement amount is offered by the Commission in lieu of a formal enforcement hearing. This would increase the settlement amount for the annual lobbyist employer report (L-3), the personal financial affairs statement (F-1) as well as the candidate registration statements (C-1). Under the proposal each non-filer, regardless of type, would be penalized at the same rate.

A proposed penalty grid for non-filers found in violation at a Brief Enforcement Hearing was also preliminarily approved by the Commission on a trial basis of six months. Civil penalties assessed for violations of the Public Disclosure Act at Brief Enforcement Hearings range up to \$500.

| Status | 1 st Occasion | 2 nd Occasion | 3 rd Occasion | 4 th Occasion |
|--|--------------------------|--------------------------|--------------------------|-------------------------------|
| Failed to report by date of Enforcement hearing. | \$150 | \$300 | \$500 | Full Commission Consideration |
| Filed report after hearing notice but before enforcement hearing. Did not pay settlement amount. | \$100 | \$200 | \$400 | Full Commission Consideration |
| Filed report after hearing notice but before enforcement hearing. Provided written explanation or appeared at the hearing to explain mitigating circumstances. | \$0-\$100 | \$100-\$200 | \$200-400 | Full Commission Consideration |

The Commission meeting materials may be found at www.pdc.wa.gov under Commission Meetings at Meeting Agendas and Materials. For additional information concerning these issues contact Doug Ellis, Director of Public Outreach, at (360) 664-2735, toll free 1-877-601-2828 or e-mail at dellis@pdc.wa.gov